

**Student Workers in High School and Beyond: The effects of part-time employment on participation in education, training and work**

**LSAY Research Report No 30**

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**February 2003**

**EXECUTIVE SUMMARY**

This report examines the effects of part-time student employment on participation and attrition in secondary school and in tertiary study, and on the post-school activities of young people. The first part of the report begins with an examination of part-time work during Year 9, and looks at the possible effects of working during Year 9 on Year 12 completion, and the relationships between Year 9 employment and the main activity young people pursue in the first few years beyond school. The second part focuses on the part-time employment activities of full-time tertiary students. It asks whether involvement in part-time work might increase the chance that a student will drop out of tertiary study. It also examines course contact hours, field of study, and the role of Youth Allowances in this context.

The analysis in this report is based on data collected in the Y95 cohort of the Longitudinal Surveys of Australian Youth (LSAY-95).

**Main Findings**

*Participation in part-time work does reduce the likelihood of completing Year 12*

Participation in part-time work during high school is associated with an increased likelihood of dropping out before the end of Year 12. This is less apparent if participation in part-time work (ppw) during Year 11 is used as a measure, but if participation in part-time work is measured during Year 9, the result is quite clear. There is no single correct way to measure participation in part-time work, but since a large proportion of early leavers have departed from the school system by the end of Year 10, it makes sense to use *working hours during Year 9* as a measure of this variable.

- Working one to five hours per week during Year 9 makes no difference to the likelihood of completing Year 12, however;
- Participation in employment beyond the level of five hours per week is associated with an increased likelihood of dropping out before the end of Year 12, especially for males;
- The more hours per week students work, the more likely they are to drop out;
- Males who work 5 to 15 hours per week during Year 9 are approximately 40 per cent less likely to complete Year 12 than those who do not, while males who work more than fifteen hours per week (up to and including full-time work) are approximately 60 per cent less likely to complete Year 12;
- Females who work part-time during Year 9 are much more likely to complete Year 12 than their male counterparts.

Further work is needed to ascertain the extent to which working part-time *causes* students to leave school, and the extent to which those who are working part-time have *already* decided to leave and are seeking to establish a track record in the labour market.

*For students whose future is in the workforce rather than in tertiary study, participation in part-time work has some positive benefits*

- There is a 65 per cent increase in the odds that a young person will gain an apprenticeship or traineeship, rather than be unemployed, if that young person worked in a part-time job during high school; and
- There is a 46 per cent increase in the odds that a young person will be in full-time employment, rather than unemployed, if that young person worked in a part-time job during high school.

*A number of factors appear to affect the odds of dropping out of tertiary study*

It is not possible to report on completion rates for university and TAFE courses, since the most recent available LSAY data at this stage only covers the second year of tertiary study. The following analyses examine the factors associated with dropping out before the end of the second post-school year of tertiary study:

- Field of study has a major influence on dropping out. University students in Agriculture, Computing, Education, Engineering, and the Medical Sciences are less likely to drop out than students in the Behavioural Sciences, the Fine and Performing Arts, Humanities, and Hospitality and Tourism. For all tertiary students (University plus TAFE) the five fields associated with the lowest dropout rates are Architecture, Agriculture, Education, Law, and Medical Sciences.
- There is an inverse relationship between course contact hours and dropping out. On average, the more hours per week that a student spends in classes, laboratories, and practical training, the less likely the student is to drop out.

*Participation in part-time work does increase the odds of dropping out of tertiary study*

- Working 20 hours per week or more increases the odds of dropping out of tertiary study, compared with those who do not work at all;
- After controlling for field of study and course contact hours, it appears that working 20 hours per week or more doubles the odds of dropping out of tertiary study, compared with not working;
- For those in University study, working 20 hours per week or more increases the odds of dropping out by 160 to 200 per cent, compared with those who do not work; and

- Students receiving Youth Allowance are more likely to drop out of Tertiary Study than those who do not receive Youth Allowance. \_ This is despite the fact that the majority of students on Youth Allowance do not work part-time.

### **Conclusions**

This report maps some of the consequences of student involvement in part-time work, both in high school and beyond. Students who work long hours in Year 9 are evidently less likely to complete high school than those who work less than five hours per week, or who do not work at all. On the other hand, those who work part-time appear to gain some benefits that enhance their chances of doing well in the labour market. Further study of student workers who leave school early for an apprenticeship or a full-time job is needed. Are these young people making a deliberate choice to include part-time work in their career preparation strategy? If so, what do they learn through their part-time jobs, and in what ways does this knowledge or experience help them? Is part-time work more useful than a Year 12 certificate and the knowledge that is gained through Year 12 study?

The second part of the report focuses on students in full-time tertiary study who work part-time. A majority of tertiary students now have part-time jobs during term time. Working less than 20 hours per week does not seem to have a substantial effect on the odds that they will drop out. However, tertiary students who work more than 20 hours per week are clearly at risk. Given that the data available only cover the first two years of tertiary study, this analysis is just the first step in a longer project. In addition, the currently available data do not cover students who dropped out between February and October of their first year of tertiary study. Given the rapid rise in the level of student participation in part-time work, it is important to monitor its effects both on year-to-year attrition, as well as overall completion rates.